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ABSTRACT

A centralized marketing and promotion office may or may not be a panacea for a continuing education program. Five major advantages to centralization of the marketing and promotion function are minimization of costs, a school-wide marketing strategy, maximization of the school image, enhanced quality control, and building of technical expertise of marketing and promotion. Three disadvantages are lengthened time for a program to occur, reduced time for marketing research efforts, and resistance to coordination of a centralized office. Centralization has enabled the Office of Marketing and Promotion at Indiana University to minimize costs by doing internal duplicating and being an in-house advertising agency. The centralized marketing office has also suggested that two units do a joint mailing where appropriate, has dealt effectively with a variety of people and publications to achieve continuity in communications, improved the quality of publications, tracked the responses to promotional literature and direct mail, and, in general, increased in-house capabilities. (A listing of slides is given.) (YLB)

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THE ADVANTAGES AND DISADVANTAGES OF USING A CENTRALIZED IN-HOUSE MARKETING OFFICE

By

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Presented April 16, 1984

at the

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The Advantages and Disadvantages of Using
a Centralized In-House Marketing Office

My session topic will be the advantages and disadvantages of using a centralized in-house marketing office. Marketing is really a lot more than selling the program to the right audience.

Marketing, according to Philip Kotler, author of Marketing for Nonprofit Organizations, is defined as a managerial process involving analysis, planning, implementation, and control. Marketing manifests itself in carefully formulated programs, not just random actions to achieve desired responses. Marketing also seeks to bring about voluntary exchanges of value. Marketing means the selection of target markets rather than a quixotic attempt to serve every market and be all things to all people. The purpose of marketing is to help organizations ensure survival and continued health through serving their markets more effectively. Marketing relies on designing the organization's offering in terms of the target market's needs and desires rather than in terms of the seller's personal tastes. And marketing utilizes and blends a set of tools called the marketing mix--product design, pricing, promotion, and distribution.

At least one researcher, Jon G. Udell[1], has found that promotion was the most important facet of the marketing mix in

guaranteeing success. While all the elements of the marketing mix must interact effectively, a greater percentage of the success, using a variety of criteria and ratings, was attributed to the promotional aspects, i.e., promotion over 40%, product development 27%, pricing 18%, etc. It appears that the importance of promotion is particularly highlighted in the service related industries. (SLIDE 1)

There are five major advantages to centralization of the marketing and promotion function. Cost can be minimized by putting personnel with expertise in all aspects of marketing and promotion in one office, rather than spreading them throughout an organization. Printing costs can be minimized due to the volume coming out of one office and due to the control of scheduling. Over 200 jobs will come through our office this year. (I know of one centralized marketing and promotion office that does 100 jobs a month.) Public relations activity, or media use can be cost efficient as well, particularly if you run an organization that has in-house capabilities of doing work. There is better coordination of the entire program of marketing and promotion in such a centralized office. Another major advantage is that centralization allows for a school-wide marketing strategy. Too often, what is promoted is one program, rather than the school itself. Only a centralized office can focus on the question of , "What is the image and the messages for the entire range of programs in our School?" A third factor is that the School image can be

maximized. There can be a continuity in "look" to promotional work. This "look" can be conveyed in many ways and in various publications. A fourth factor is that quality control can be enhanced. This is important because marketing is not just getting the message to the audience, it is getting that message there effectively. The fifth major reason for having a centralized office is that you can build technical expertise of marketing and promotion in such areas as tracking, mail list selection, editing/copywriting and graphics. (SLIDE 2).

Now, is the centralized office a panacea for all continuing education programs? Well, the answer is, no it's not. There are at least three disadvantages to centralization. The first disadvantage is the time needed for a program to occur may lengthen if there is a centralized marketing office. This is because there may be such a high volume of work in the office that it may take several weeks for brochures or other promotional pieces to come out. This could possibly lengthen the time it takes to prepare a complete program. Secondly, with marketing and promotion in one office, it is quite possible that the promotion needs may reduce the time for marketing research efforts. When you run a marketing office like the one at Indiana, you must make a commitment to marketing research and allocate resources to back that up. Thirdly, there may be resistance to coordination of a centralized office, particularly in the situation like ours where we just went to this centralized system in the last two years. This can temporarily

hinder work for certain program developers who have to adjust to a new system and learn new habits. Why is having a centralized marketing and promotion office painful to people? I say it's at least partially because there is some resistance by program developers to marketing. According to James Pappas of the University of Utah Division of Continuing Education, marketing research is neglected for at least the following reasons:

-Perceived lack of time

-Fear that research is a "waste of time"

-Bad experience with previous research

-Lack of understanding about marketing research

-Training in "perfect" scholarship

-Not realizing you can do "practical" research.[2]

(SLIDE 3)

Looking at Indiana University, our Office of Marketing and Promotion (OMP) reports to the assistant to the dean and director of development. The dean of our School has reporting to him five major instructional divisions: Labor Studies, Extended Studies, Conference Bureau, IUPUI, and the Division of Professional Development. There are eight other locations of Indiana University where continuing studies programs are run and they report to the dean on certain matters, although not in a budgetary sense. (SLIDE 4)

Our office is organized into five functional areas: market research, editorial/writing services, media/mailing services, graphics and design, and duplicating services. (SLIDE 5)

The work flow begins when a program planner comes to me and either talks about some needs of market research or gives me a work order for promotion jobs to be done by our office. The work is assigned to a project manager who works with the various specialized departments to make sure we get a finished product. (SLIDE 6)

Now, let's look at how our office meets the advantages of centralization. The first advantage is the minimization of costs. Continuance is a quarterly newsletter of our School going to our professional faculty and staff, as well as to key university administrators. When OMP was created and assumed responsibility for this publication from the Dean's Office, we were able to reduce printing costs by 20% in the first year, and increase the print run by 67% allowing us to distribute copies to major media in the state and nationwide. We've been picked up in three national publications as a result of this effort. (SLIDE 7)

By having internal control of offset duplicating equipment, we are able to do some high quality work in the way of flyers, and the examples here of a fashion merchandising program in New York are just two of a number we have done in-house. (SLIDE 8)

We also save money for the School by being an in-house ad agency. Ad agencies get a 15% discount for presenting camera ready copy to publishers. By doing that, we always ask for and get the discount, and we are able to pass on those savings to the program people so their promotion dollars stretch further. This ad which was placed in TV GUIDE is an example. (SLIDE 9)

Another example of how we save money in a centralized office is our External Degree Program Bulletin which radically changed from 1982-83 to 1983-84. We reduced the size of this bulletin by more than half with the help of the program people. The book is now written more clearly, and is easier for a student to understand how to enroll and use the program. We not only saved money in printing the bulletin (because we print 30,000 per year), but we also saved postage because the weight of the book is so much less that we are saving more than $5,100 in postage costs this year. (SLIDE 10)

We coordinate with the IU News Bureau publicity on our School. Because the news bureau is always swamped and will never have all the reporters it needs, the fact that we can give them draft copies of certain news items allows us to get out a good deal more free publicity than would otherwise be the case. (SLIDE 11)

Another way our office can minimize costs is by suggesting that two units to do a joint mailing where appropriate. This was done by our Independent Study Program and Division of Professional Development to members of the International Society of Appraisers on the noncredit correspondence course and core courses in the Certified Appraisers of Personal Property Program. (SLIDE 12)

Because our office deals with all program offices of the School, we can present information to a wide variety of au-

diences on all the programs of the School and that is something nobody else can do. Here is a display that we used at a Campus-Community fair on our programs. (SLIDE 13).

We can achieve continuity in look by making sure in ads that we use similar graphics. The stick man figure you see here has been successfully used for several ads for our Independent Study by Correspondence Program. The beauty here is this figure is instantly identifiable, it is clean, easy to print and reproduce, and has been praised by several professional people in the advertising world. (SLIDE 14)

Using the same typeface but different colors can effectively distinguish programs in the same series. In the Independent Study by Correspondence Program we have courses in the University, High School and Noncredit areas. (SLIDE 15)

For common programs like summer workshops in education done by the Bloomington Division of Continuing Education, we sometimes use a common graphic design and change the color on the brochures to distinguish the programs. The green deals with a program for Higher Education Administration while the brown example is for programs particularly for Women in Educational Administration. (SLIDE 16)

We also can do graphic work that shows similarity but differences in programs such as these two on DNA Technology and Tissue Culture Viral Techniques. (SLIDE 17)

We also try to carry through our graphic look from our pro-

motional piece to instructional material as we did on this tax practitioner institute held last fall. (SLIDE 18)

Again, it is important in our business to do a lot of direct mail and we have become expert in not only using common graphic techniques, but using coding techniques and color so when we receive responses we know where they are from. In this case you are seeing four different reply cards promoting our Independent Study Program. We know by the color of the card we get back which particular mailing and list it comes from, and this helps us with our tracking. (SLIDE 19)

For this certificate program for personal property appraisers, our office developed a graphic look for the program in terms of a logo. The logo has been carried through on a number of promotional materials including the ones you see now. (SLIDE 20)

This brochure for a program of the Bloomington Division is a good illustration of how we can bring across a message. The program developer had created a high quality program; however when she was ready to prepare a brochure, she really had no idea what she wanted. A decision was made to emphasize the seriousness of the program by using the conservative colors gray and red and doing them with simple graphics, so that we got across the point that this was a serious program that could increase a woman's chances for job advancement. (SLIDE 21) I am happy to say this was a program that met its enrollment goal well before classes started. (SLIDE 22)

Another function of our office is handling the inquiries for the Independent Study by Correspondence Program. The program gets more than 25,000 inquiries a year. Thanks to the recent addition of word processing equipment to the School, we now put the names of our inquiries (and what they requested) onto word processing and can follow up at various intervals after their initial response. Now we can get our message across repeatedly.

In a multi-campus system such as Indiana Univerity, extra effort is needed to effectively communicate the same message across all campuses. We have a systemwide General Studies Degree Program that grants two and four year degrees. We have a systemwide bulletin on the degree program. Each regional campus of IU has their own bulletin and frequesntly they have a section on the program. With the cooperation of the central University Publications editors, the OMP is reviewing and making necessary changes to accurately describe the program in all university publications. In addition, special efforts have been made with campus registrars for insertion of the appropriate information on our Independent Study by Correspondence Program in each semester's Schedule of Classes booklets. Only a centralized marketing office can effectively deal with such a variety of people and publications in a system as large as ours. (SLIDE 23)

To improve the quality of our publications, we developed check lists for our editorial, graphics, and project management

areas. These ensure we do the basics right, and help make sure that we correctly think through how we handle each job in the office. (SLIDE 24)

One of the most important functions of marketing is to track the responses to promotional literature so that you know what to do in the future and how you'll do it. What you see here is a page of a print-out we get on students in the Independent Study Program so that we know how they came into the program, and if through a promotion piece--which one. We are able to derive statistics from reports such as this. The important concept here, however, is you have to have very good computers for tracking. Our computer support in the School has improved enormously in the last year with the addition of word processing. I think Irene Bagge, who has recently retired as director of marketing at UCLA has said it best, you really need to have in your marketing office your own computer. In our School, there is an office that handles all data processing work and we have very good relations and so we are quite lucky. But I think Irene is right; in the best of all possible worlds, you need your own equipment and system. If you have to deal with administrative computing and other users, as we have to do as a School, then it takes a lot longer to get the reports and market analyses you need. (SLIDE 25)

Tracking is also helpful on testing direct mail. This brochure for our Division of Professional Development was test mailed to people in Pittsburgh and Denver and to selected

alumni of Indiana University. The tracking showed the alumni list was most effective. Even more interesting were comments received on business reply cards which have lead us, along with critiques by fellow continuing education marketers, to rewrite the copy. (SLIDE 26) We do use different colors or codes on business reply cards to track the inquiries as they come in. (SLIDE 27)

One advantage of a major research university like Indiana Universty is that there are resources on campus to help with marketing research. Probably the best example we have is our divison of research in the School of Business which is the depository of census tapes for the State of Indiana. Shown here is a tape by zip code, of family income data, showing the number of households in each income category. We use data like this to try to develop target mailings for specific marketing needs. Since the zip code census tape is still in the private domain, our School bought the tape for the Division of Research, and we get free computer runs from it. Shortly, our campus directors will also have access to this information. (SLIDE 28)

These two pages illustrate how copy editing can dramatically change a publication. The page on the left is from the 1982-83 version of what we call our External Degree Bulletin and that page is the first of five pages listing nothing but fees of the university, most of which have nothing to do with the students of the School of Continuing Studies. We suc-

cessfully petitioned the Board of Trustees for a waiver from printing all this information because we claimed it was not only irrelevant to our students but misrepresented our program to them and, therefore, probably cost us enrollments. We rewrote the copy of those five pages into one page, which you see on the right. In the 1983-84 bulletin we only mention the two fees that are relevant to the program. (SLIDE 29)

The final set of slides shows some examples of how our graphics department can help publications. We had a computer graphic generated for a symposium on "Technology and the Educated Person" and this graphic of Plato did a marvelous job of representing the theme of the conference. (SLIDE 30)

We also try to do interesting art work on our brochures even when we use only one color. What you see here are four examples from the noncredit program of our Independent Study by Correspondence Program. (SLIDE 31) We also do holiday greeting cards.

A centralized office for marketing and promotion is not for everyone. If you plan effectively for a transition to such an office, your programs may be rewarded with increased in-house capabilities.

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Notes

[1]Jon G. Udell. Successful Marketing Strategies in American Industry (Madison, Wisconsin: Mimir Publishers, Inc., 1972): 5.

[2]James Pappas, "Notes on Developing Marketing Information," in Promoting Adult Enrollments, undated, p. 3.

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7. New York Fashion Merchandising Program Flyers
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11. "The Certified Appraiser of Personal Property Program" and "The Appraisal of Limited Edition Prints" brochures
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